



TRADING UPDATE, FIRST QUARTER 2023

A sustainable way forward with room for all of us



DSB

Telegade 2, DK-2630 Taastrup, CVR no. 25050053

Contents

→ Key figure definitions	2
Management report	3
Overview, first quarter	5
Results	6
→ Key Financials and Operating Data	6
→ Corporate social responsibility	7
→ Customers	7
→ Train operations	8
→ Service & Retail	9
→ Property development	10
→ Financial activities	10
→ Expectations for 2023	11
→ Events after 31 March 2023	11
→ Management's statement	12
→ Financial calendar 2023	13
→ Publications	13
→ Corporation details	13

Key figure definitions

Key figures and designations have been prepared in accordance with the below

Operating profit margin (EBITDA margin) = Profit/loss before amortization, depreciation and write-downs x 100 / Net revenue

Profit ratio (EBIT margin) = Operating profit x 100 / Net revenue

Return on invested capital after tax (ROIC after tax) = Operating profit after tax (NOPLAT) x 100 / (average equity + average interest-bearing debt, net)

Gearing = Interest-bearing debt, net / Profit/loss before amortization, depreciation and write-downs

Solvency ratio = Total equity x 100 / Total assets



The trading update is published in a Danish and an English language version. In the event of any discrepancies the Danish language version shall prevail.

Management report

Profit before tax in first quarter was DKK 188 million

- In first quarter, DSB had 39.3 million journeys. Corrected for relinquished traffic, this is an increase of 26 percent compared to 2022
- Passenger revenue in the first 3 months of the year was 26 percent above same period in 2022
- Customer punctuality was above target and has increased for Long-distance & Regional trains as well as for S-trains
- Næstved, Haslev and Køge has a new direct connection to Copenhagen
- Business journeys have increased 38 percent in first quarter compared to same period in 2022
- DSB is establishing an EMTN programme (bond programme) and has been credit rated by Moody's Investor Service
- The profit is positively influenced by compensation received from supplier
- Significantly increased expectations for the full year profit for 2023

Result for first quarter

Profit before tax was DKK 188 million against DKK 30 million in 2022. The result is positively influenced by compensation of approx. DKK 200 million from a former supplier as result of a terminated agreement. Reference is also made to Financial activities on page 11.

Significant increase in number of journeys

The increase in number of journeys in first quarter 2023 compared to same period last year should be seen in the light of January 2022 being influenced by restrictions in relation to COVID-19. Since then, the customers have gradually returned. Especially, the Orange-tickets have driven the increase and the number of journeys in regional traffic is record high. The increase of the individual markets is further elaborated on page 8.

Customer punctuality has increased

Customer punctuality has increased and is above target for Long-distance & Regional trains as well as for S-trains.

All S-train tracks have been operated with the new signalling system (CBTC) since September 2022. This has significantly reduced the number of errors

on the signals and thereby, improved the customer punctuality.

For Long-distance & Regional trains, adjustments made for the timetable have ensured a more robust operation and resulted in an improvement of customer punctuality.

Like previous years, 2023 will be characterized by major infrastructure works affecting customer punctuality. The largest works were started on 31 March and already had a negative impact on customer punctuality in April. Unfortunately, the customers will be influenced by inconveniences in second as well as third quarter.

Customer punctuality and infrastructure works are further elaborated on page 9.

Selected key figures

Amounts in DKK million	Q1 2023	Q1 2022	Full year 2022
Passenger revenue	1,295	1,028	5,318
Contract revenue	901	1,018	3,450
Net revenue	2,569	2,360	10,212
Total expenses	2,391	2,229	9,229
Profit before tax	188	30	229
Number of journeys (million)	39.3	33.9	163.7
Number of journeys, adjusted for relinquished traffic (million)	39.3	31.2	163.7
Customer punctuality for Long-distance- & Regional trains (percent)	80.2	77.9	73.3
Customer punctuality for S-trains (percent)	96.0	94.7	94.2

New direct train connection inaugurated

On 11 April the new train connection between Næstved, Copenhagen Central Station and Nivå via Køge was inaugurated. Particularly, travellers from south towards Copenhagen will experience the new connection faster and thus, it will be significantly more attractive for the customers to choose the public transport.

Simultaneous, the commissioning of the new digital signalling system on the line makes it possible to replace the diesel-powered IC3-trainsets with the more environmentally friendly EB electric locomotives and the double decker coaches. In addition, the double decker coaches have better accessibility for persons with reduced mobility, bicycles, and prams.

More train seats for international customers

The customers' great interest in environmentally friendly travelling has been a contributing factor in doubling of DSB's order of Talgo train coaches from 8 to 16. The train coaches will be operating the international traffic between Copenhagen/Aarhus and Hamburg. The first train coaches are expected to be in operation for summer 2024.

DSB and Deutsche Bahn are working on being able to operate German IC1 train coaches in the international train traffic until delivery of the Talgo train coaches. This will contribute multiple seats between Copenhagen and Hamburg, as the IC1 train coaches have more seats than the IC3 trainsets currently operating the line. Thus, it will meet the growing demand for sustainable travelling abroad.

DSB's business customers provide more forest

In 2022 DSB entered into a partnership with Klimaskovfonden. For every business journey sold,

DSB makes a contribution to establishment of forests. In first quarter, DSB's contribution for 2022 has been concluded to be DKK 1.9 million. The first trees were planted in September 2022 close to Vordingborg. In the future, the customers will be able to see more green trees from the trains when rolling through the Danish countryside.

Safe and attractive stations

The parties behind the conciliation of 'Infrastrukturplan 2035' have approved a proposal from DSB for the implementation of the pool for more safe and attractive stations. Up to DKK 125 million will be spent on these projects starting in 2023 and is described in detail on page 7.

EMTN programme and credit rating

DSB is establishing an EMTN programme (European Medium Term Note programme) to ensure effective financing of the considerable investments in new rolling stock over the coming years. Later in May, offering circular is expected to be published. DSB has been credit rated by Moody's Investor Service. The long-term rating is Aa1.

Merger completed

In first quarter, the planned merger between DSB and DSB Vedligehold A/S was decided and has been completed with accounting effect as of 1 January 2023. The merger will contribute to more simplicity and efficiency by removing some of the workflows and processes between the corporations.

Changed expectations of the result for 2023

The previous announcement of an expected loss before tax of DKK 150 to 250 million has been changed into an expected profit before tax of DKK 300 to 400 million for 2023 which is elaborated on page 11.

"2023 is off to a good start but it is huge challenge to attract new customers and create growth in a period with significant bothersome railroad infrastructure works."

Flemming Jensen, CEO

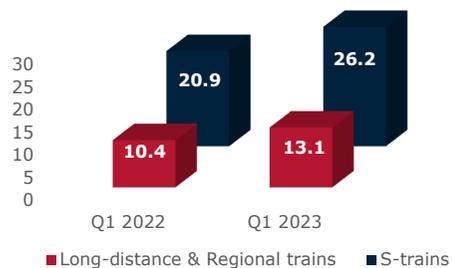
Taastrup, 15 May 2023

Peter Schütze
Chairman

Flemming Jensen
CEO

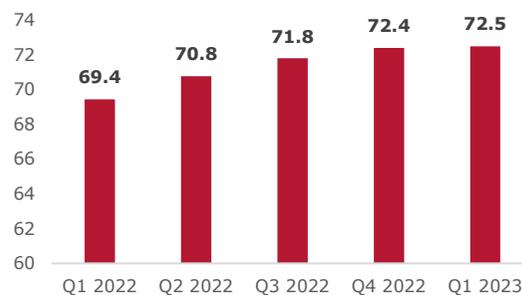
Overview, first quarter

Number of journeys (million)



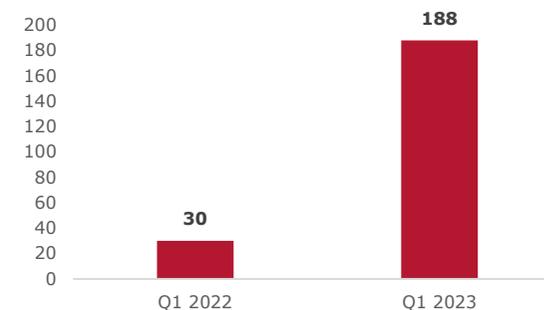
- Corrected for relinquished traffic, number of journeys has increased by 26 percent compared to first quarter 2022

Reputation



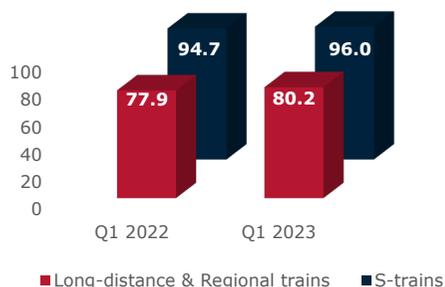
- In an international context, DSB's reputation remains strong in first quarter (+70)

Profit/loss before tax (DKK million)



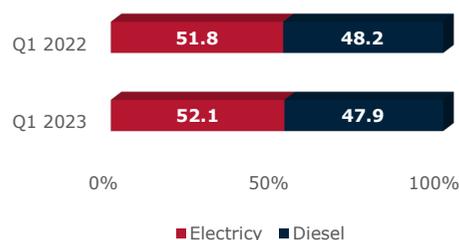
- Development in profit for the period is positively influenced by compensation from former supplier

Customer punctuality (percent)



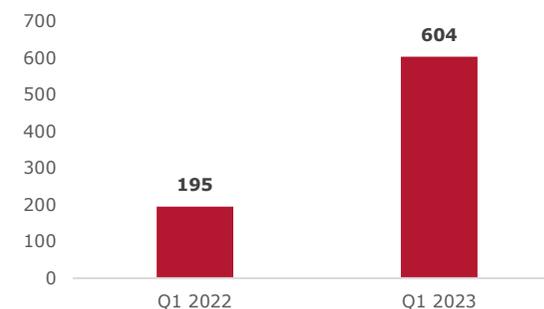
- Customer punctuality has been above target and has increased for Long-distance & Regional trains as well as for S-trains

Distribution of kilometres (percent)



- The proportion of operating with electric trains are increasing. Figures are adjusted for relinquished traffic

Investments (DKK million)



- Investments in first quarter 2023 primarily include prepayments on new rolling stock and new workshops

Results

Key Financials and Operating Data

Group (DKK million)	Q1		Growth		Full year
	2023	2022	Abs.	Pct.	2022
Income statement					
Net revenue	2,569	2,360	209	9	10,212
Profit/loss before amortization, depreciation and write-downs	442	302	140	46	1,544
Amortization, depreciation and write-downs of intangible and tangible fixed assets	246	251	(5)	(2)	1,243
Operating profit/loss	196	51	145	284	301
Net financials	(8)	(21)	13	62	(72)
Profit/loss before tax	188	30	158	527	229
Profit/loss for the period	146	24	122	508	257
Balance sheet					
Total assets	14,103	14,024	79	1	13,990
Investments in property, plant and equipment	604	195	409	210	1,886
Total equity	5,770	5,451	319	6	5,688
Interest-bearing debt, net	3,282	2,847	435	15	2,729
Key figures*					
EBITDA margin	17.2	12.8	4.4	34	15.1
Profit ratio (EBIT margin)	7.6	2.2	5.4	245	2.9
Return on invested capital after tax (ROIC after tax)	7.0	2.0	5.0	250	2.9
Gearing	1.9	2.4	(0.5)	(21)	1.8
Solvency ratio	40.9	38.9	2.0	5	40.7
Average number of full-time employees	6,055	6,017	38	1	6,026

Key Financials and Operating Data

Group (DKK million)	Q1		Growth		Full year
	2023	2022	Abs.	Pct.	2022
Customers					
Number of journeys (million)	39.3	33.9	5.4	16	163.7
Number of journeys, adjusted for relinquished traffic (million)	39.3	31.2	8.1	26	149.2
Reputation					
DSB	72.5	69.4	3.1	4	71.0
Customer punctuality					
Long-distance & Regional trains (percent)	80.2	77.9	2.3	3	73.3
S-trains (percent)	96.0	94.7	1.3	1	94.2
Productivity					
Passenger revenue per seat kilometre (DKK 0.01/km)	32.0	24.8	7.2	29	31.7
Costs per seat kilometre (DKK 0.01/km)	61.6	53.9	7.7	14	56.7

* Calculated pursuant to the definitions in Key figure definitions.

*"The recent development in energy prices has had a positive influence on finances and resulted in increased expectations to the result for 2023."
Pernille Damm Nielsen, CFO*

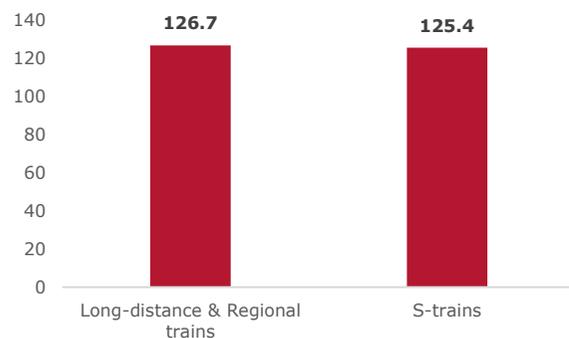
and as a result of the campaign collaborations have started with several large and medium-sized corporations. In first quarter, 2.1 million business journeys were taken with DSB corresponding to an increase of 38 percent compared to first quarter 2022.

Significant increase in number of journeys

In first quarter, 39.3 million journeys were taken with DSB. Adjusted for relinquished traffic, this is an increase of 26 percent compared to first quarter 2022, in which January was influenced by restrictions in relation to COVID-19.

Figure 1: Number of journeys, Q1¹⁾

(Index compared to 2022)



¹⁾ Number of journeys have been adjusted for relinquished traffic as 'Øresund - over broen' and 'Kastrupbanen' were assigned to Skånetrafiken in December 2022.

Orange tickets have been the primary driver for this progress in journeys all over the country. Thus, 416,000 more Orange tickets were sold compared to first quarter 2022. Recently, also 'Sjælland inkl. Kystbanen' and 'Vest (Jylland og Fyn)' have shown growth due to the increase in Orange tickets.

With an increase of 31 percent, 'Øst/Vest (over Storebælt)' accounted for the largest growth in number of journeys. Among other things, this is a result of the Orange campaign with departure in January and February. More than 1 million Orange tickets were sold in first quarter, corresponding to an increase of 27 percent. The number of journeys with other ticket types increased 39 percent, primarily driven by travelcards and standard tickets, where the latter is mainly a result of the large increase in the sale of business journeys. Commuter journeys also increased and were at index 133 compared to 2022. In first quarter, the number of journeys in regional traffic was so high that it has only previously been surpassed in first quarter 2013, when the number was 3 percent higher.

The number of journeys in S-trains has increased too. In first quarter, the number of journeys was 25 percent higher compared to the same period in 2022. The largest increase is seen for weekend journeys, but weekday journeys also had progress.

Furthermore, a large growth has been seen in the popular international journeys going towards south.



Focus on commuters

In first quarter, there was an increase in the number of commuter cards sold which was index 118 compared to same period in 2022. In recent years, some commuters have changed their habits in relation to the increasing remote working. Thus, amongst commuters the number of journeys is still lower at weekdays. Therefore, DSB is focusing on acquiring new customers by making it attractive for commuters to choose the train, among other things by the previous mentioned local actions.

Train operations

Safety-creating initiatives

In connection with the government's security and safety package from June 2022, DSB has implemented safety-creating initiatives. The customer satisfaction of the implemented initiatives will be evaluated during 2023. These include security telephone and security guards who since August 2022 were deployed at selected stations.

In 2023, work is undertaken on additional safety-creating initiatives - for example recognition technology by the platform edge and development of a function to warn trains if persons are in the track.

Major infrastructure works in 2023

As recent years, 2023 will be impacted by several major infrastructure works affecting customer punctuality. At the S-train tracks there have been few minor tracks works in first quarter.

In first quarter, Long-distance & Regional trains have had track blockings on Copenhagen-Ringsted, Nykøbing F-Næstved and Næstved-Køge. This in connection with testing, commencement of use and software updating of the new signalling system. In addition, there has been weekend track blockings on Fredericia-Horsens as well as incorporated space for single track operation in the basic timetable on Fredericia-Aarhus H in connection with renewal of tracks and electrification.



Second and third quarter will be impacted by far more infrastructure works, among other things, extensive track renewal between Slagelse and

Odense. The timetables will change as the work progresses.

Typically, customer punctuality will decrease in periods with major infrastructure works. While the work is ongoing, extra focus is on, among other things, robustness of the timetables. This should enable better punctuality.

Increase in customer punctuality

In first quarter, customer punctuality of the S-trains was 96.0 percent compared to 94.7 percent in 2022. The increase in punctuality is particularly related to the fact that all S-trains since September have been operating the new signalling system (CBTC) causing a significant reduction in the number of errors on the signals.

Also, customer punctuality of Long-distance & Regional trains has increased and was 80.2 percent in first quarter compared to 77.9 percent in same period last year. The increased punctuality is related to the fact that a number of adjustments have been made in the timetable to ensure a more robust operation. In addition, there have been fewer errors on the rolling stock during the period. Furthermore, January had fewer infrastructure errors and impact from infrastructure works compared to January 2022.

Punctuality was negatively impacted by the storms Malik in January and Otto in February. The raging of the storm Otto caused several incidents in train traffic. Long-distance & Regional trains were exposed to 6 incidents in 6 hours, while S-trains were exposed to 3 incidents in 2½ hours. Most incidents were caused by fallen trees hit by trains.

High operational stability

In first quarter 2023, the total train fleet had a higher Mean Distance Between Failures than in first quarter 2022. Mainly, the increase was related to IC3 trainset, S-electric trainsets and, not least, the EB electric locomotives.

In first quarter, the number of kilometres driven with diesel-powered rolling stock has been at the same level as in first quarter 2022, while the number of kilometres driven with electric-powered rolling stock has been 2 percent higher. The figures for 2022 have been adjusted for the Swedish owned Øresund electric trainsets in Denmark as, from shift of timetable in December 2022, the responsibility for the Øresund traffic has been assigned to Skånetrafiken.

Service & Retail

DSB's 7-Eleven kiosks are part of the customers' journey in the form of the possibility to buy tickets, travelcards, a little snack or entertainment for the journey. But also, by creating security and helping the customers with traffic information.

The customers are back in the kiosks

Customers have largely returned to DSB's 7-Eleven kiosks. In first quarter, the revenue was 19 percent above same period last year and the number of customers on par with the number before COVID-19. Thus, the result has increased from a loss of DKK 11 million in first quarter 2022 into a profit of DKK 3 million in the first 3 months of the year.

New kiosk at Flintholm station

In March, DSB opened a new 7-Eleven kiosk at Flintholm station and, thus, has a kiosk on both

side of the tracks. Flintholm has 4 million travellers every year, and thus 4 million potential customers.



"We are constantly developing the kiosks, which are creating life and closeness for the customers. Most recently, we have rebuilt the kiosk in Odense to make it more attractive to customers."
 Martin Zunda, CEO, DSB Service & Retail A/S

Property development

'Jernbanebyen'

In first quarter, DSB has entered into a contingent agreement with 'NREP', 'Industriens Pension' and 'Novo Holdings' for an overall development of Copenhagen's new district, 'Jernbanebyen', in a joint consortium.

The aim is to create an attractive and healthy district focusing on environment, community, and the modern life.

The agreement will lead into a joint ownership of 'Jernbanebyen', after a district plan for the area has been approved.

Media City Odense

A cooperation agreement has been entered into with 'AP Ejendomme' on construction of a property in central Odense for the media tech cluster, Media City Odense (MCO). MCO has been founded by 'TV2 Danmark', 'TV2 Fyn', 'Jysk Fynske Medier' and 'Syddansk Universitet'.



Financial activities

In first quarter, the profit before tax amounted to DKK 188 million, an increase of DKK 158 million compared to same period of 2022.

Changed accounting presentation

In first quarter, items under Other operating income have been reclassified to Net revenue of DKK 316 million (DKK 266 million) as well as DKK 1,254 million for full year 2022. The change concerns sales from kiosks, etc. as well as rental and leasing which no longer are considered of a secondary nature for DSB.

In 2022, the expected useful life of S-electric train-sets was re-evaluated and altered from approx. 25 years to approx. 35 years. The change in depreciation period caused a positive change of the result before tax in first quarter 2022 by DKK 46 million.

Income

Total income amounted to DKK 2,833 million (DKK 2,531 million) while Net revenue was DKK 2,569 million (DKK 2,360 million).

Figure 2: Passenger revenue and number of journeys¹⁾

(Passenger revenue in DKK million and Number of journeys in million)



¹⁾ Number of journeys is adjusted for relinquished traffic.

Passenger revenue increased by DKK 267 million compared to same period last year, of which DKK 155 million is Long-distance & Regional trains and DKK 112 million is S-trains. The development is linked to the increasing number of journeys as first quarter 2022 was impacted by COVID-19 and the resulting restrictions.

Contract revenue was DKK 901 million and has decreased by DKK 117 million compared to first quarter 2022. The main reason for the decrease is extra contract revenue of DKK 157 million based on supplementary contract 44 recognized in first quarter 2022.

Other operating income amounted to DKK 218 million which is DKK 176 million more than in first quarter 2022. Among other things, the increase is related to a compensation received in connection with a settled arbitration case.

Expenses

In the first 3 months of the year, total expenses amounted to DKK 2,391 million (DKK 2,229 million).

The increased expenses are in particular due to a large increase in energy expenses (DKK 62 million) caused by the development in energy prices. In addition, an increase has been seen in expenses for repair and maintenance of properties as well as for general inflation-driven price and salary increases.

Amortization, depreciation and write-downs

Amortization, depreciation and write-downs amounted to DKK 246 million (DKK 251 million).

Development in assets and liabilities

End March, total assets amounted to DKK 14,103 million compared to DKK 13,990 million on 31 December 2022.

In first quarter, DSB invested DKK 604 million (DKK 195 million) in tangible fixed assets. Most important are prepayments for the purchase of the

future rolling stock and construction of new green workshops.

Interest-bearing debt, net has increased by DKK 553 million compared to 31 December and amounted to DKK 3,282 million on 31 March.

Solid liquidity reserves

During first quarter, liquidity reserves were at a level of DKK 10 billion and amounted to DKK 10,028 million by end March.

No new funding has been raised in the period. Liquidity will be managed through obtaining loans at banks and issuing of bonds as the need arises.

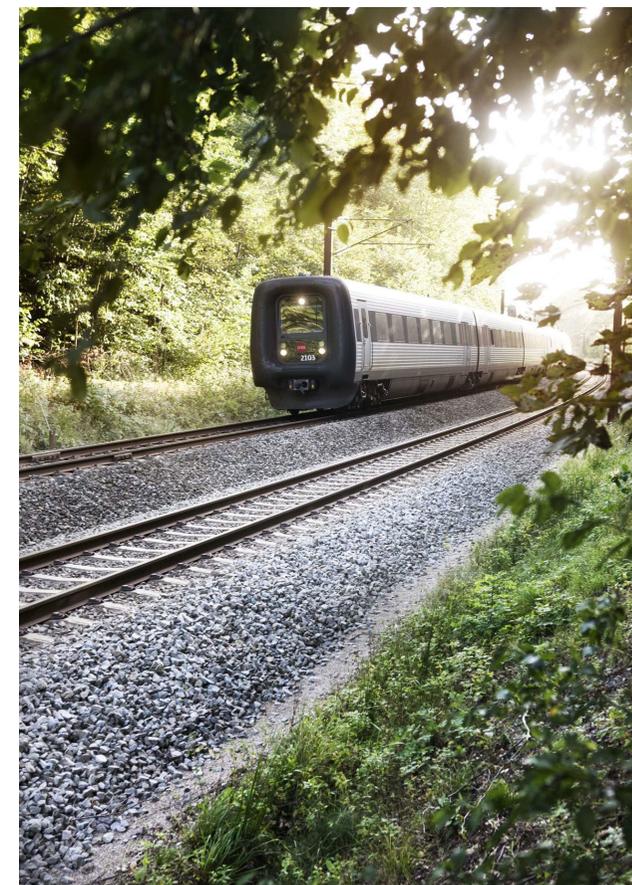
Expectations for 2023

Changed expectations of the result for 2023

In first quarter, the prices on electricity and diesel were lower than expected. It has also been possible to increase the hedging position of electricity and diesel for second to fourth quarter 2023. Consequently, the total expenses for electricity and diesel are expected to be realized approx. DKK 300 million lower than contained in the announcement of expectations at the beginning of the year. On this background and because of the earlier mentioned compensation from supplier the expectations of a loss before tax of DKK 150 to 250 million is raised to a profit before tax of DKK 300 to 400 million.

Events after 31 March 2023

No events occurred after 31 March 2023 which in the opinion of the management have a significant impact on the assessment of the trading update for first quarter 2023.



Management's statement

The Board of Directors and the Executive Board have today discussed and approved the trading update for first quarter 2023 for DSB.

The trading update, which has not been audited nor reviewed by the corporation's auditors, has been presented in accordance with the Danish Financial Statements Act and the DSB Act. We consider the accounting policies to be appropriate. Accordingly, the trading update provides a true and fair view of the group's assets, liabilities and financial position on 31 March 2023 and of the results of the group's activities and cash flows for the period 1 January to 31 March 2023.

It is also our view that the trading update contains a well-founded assessment of the development of the group's activities and financial conditions, the profit/loss for the period, and the financial position in general.

Taastrup, 15 May 2023

Executive Board

Flemming Jensen
CEO

Pernille Damm Nielsen
CFO

Jürgen Müller
Executive Vice President,
Strategy & Rolling Stock

Per Schrøder
Executive Vice President,
Operations

Jens Visholm Uglebjerg
Executive Vice President,
Commercial

Board of directors

Peter Schütze
Chairman

Anne Hedensted Steffensen
Vice-Chairman

Henrik Amsinck

Lene Feltmann Espersen

Carsten Gerner

Christina Grumstrup Sørensen

Thomas Bryan-Lund

Preben Steenholdt Pedersen

Lone Riis Stensgaard

Financial calendar 2023

Expected publication of half year report and trading update:

First half 2023	31 August 2023
Third quarter 2023	16 November 2023

Publications

Trading update, first quarter 2023 can be found at www.dsb.dk

Corporation details

Address

DSB
Telegade 2
DK-2630 Taastrup
Tel. (+45) 70 13 14 15

www.dsb.dk

CVR no. 25050053

Municipality of domicile

Høje-Taastrup

Ownership

DSB is an independent public corporation owned by Ministry of Transport

Auditors

EY
Authorised Limited Company of Accountants
CVR no. 30700228

The National Audit Office of Denmark

Bank

Nordea Danmark, a subsidiary of Nordea Bank Abp, Finland

Editors

Anne Rømer
Charlotte R Petersen

